VISA

NEWS RELEASE

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VISA AND MASTERCARD COMBINE SECURITY SPECIFICATIONS FOR CARD TRANSACTIONS ON THE INTERNET INTO ONE STANDARD

Move expected to accelerate development of electronic commerce and bolster consumer confidence in the security of cyberspace transactions

PURCHASE, N.Y. & SAN FRANCISCO, February 1, 1996 -- Addressing consumer concerns about making purchases on the Internet, MasterCard International and Visa International joined together today to announce a technical standard for safeguarding payment card purchases made over open networks such as the Internet. Prior to this effort, Visa and MasterCard were pursuing separate specifications. The new specification, called Secure Electronic Transactions (SET), represents the successful convergence of those individual efforts. A single standard means that consumers and merchants will be able to conduct bankcard transactions in cyberspace as securely and easily as they do in retail stores today.

The associations expect to publish SET on their World Wide Web sites in mid-February. Following a comment period, the joint specification is scheduled to be ready for testing in the second quarter of 1996. Visa and MasterCard expect that banks will be able to offer secure bankcard services via the Internet to their cardholders in the fourth quarter 1996.

Participants in this effort with MasterCard and Visa are: GTE, IBM, Microsoft, Netscape Communications Corp., SAIC, Terisa Systems and Verisign. Also, SET will be based on specially developed encryption technology from RSA Data Security.

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"This is the first step in making cyberspace an attractive venture for banks and merchants. A single standard limits unnecessary costs and builds the business case for doing business on the Internet, " said Edmund Jensen, president and CEO of Visa International. "Further, our work with MasterCard demonstrates our unwavering commitment to address the needs of our member financial institutions and their merchants and cardholders."

H. Eugene Lockhart, CEO of MasterCard, said: "MasterCard has viewed one standard for secure card purchases on the Internet as a critical catalyst for electronic commerce because it bolsters consumer confidence in the security of the electronic marketplace. A single standard has always been our objective because it is in the best interests of not only consumers, but also merchants and financial institutions worldwide. We are glad to work with Visa and all of the technology partners to craft SET. This action means that consumers will be able to use their bankcards to conduct transactions in cyberspace as securely and easily as they use cards in retail stores today."

The card associations will separately test SET with consumers, merchants and financial institutions. A joint interoperability test will be conducted after the individual tests to ensure SET, where necessary, operates as smoothly as the point-of-sale system used today. Upon conclusion of the tests, an updated version of the specification will be published for software providers.

MasterCard's Web address is http://www.mastercard.com. Visa's Web address is http://www.visa.com.

MasterCard International Incorporated is a global payments company that provides consumer credit, debit and other payment products in partnership with 22,000 member financial institutions worldwide. MasterCard's family of brands, MasterCard, Maestro and Cirrus, represent approximately 300 million cards in circulation, and over 13 million acceptance locations, including 243,000 MasterCard/Cirrus ATMs

worldwide. MasterCard's pioneering work in the areas of transaction processing and delivery systems continues to revolutionize the way consumers pay for goods and services.

Headquartered in the San Francisco Bay Area, Visa is the world's largest payment system. It plays a pivotal role in developing and implementing new technologies that benefit its 19,000 member financial institutions and their cardholders, businesses, governments and the global economy. Visa's 442 million cards are accepted by more than 12.2 million merchants worldwide. Visa/PLUS is the largest global ATM network.

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